



# City of Grand Island

Tuesday, December 03, 2002

Council Session

## Item I1

### **#2002-376 - Approving City Administrator's Appointment and Employment Contract**

*City Administrator Marlan V. Ferguson's initial appointment term expires with the close of Mayor Ken Gnadt's term of office. Mayor Vavricek has recommended Marlan Ferguson to be reappointed to the position of Grand Island City Administrator. Since he works under contract, the agenda item includes the appointment as well as renewal of the contract. There are no changes proposed for the contract, except the term that will coincide with the term of the Mayor.*

Staff Contact: Mayor Vavricek

## *INTEROFFICE MEMORANDUM*

*Working Together for a  
Better Tomorrow, Today.*

**DATE:** November 27, 2002

**TO:** City Council

**FROM:** Mayor Jay Vavricek

**RE:** City Administrator Appointment

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It is imperative to maintain sound experience, accountability, and positive progress in City government. Grand Island is fortunate to have the likes of Marlan Ferguson to maintain policies as directed by the Mayor and City Council, and his expertise and background in government is an asset in meeting the challenges and opportunities awaiting our community in the future. As previously stated, I whole-heartedly recommend his continued employment and service to our city and especially appreciate his devotion, commitment, and performance in his initial term of employment and look forward to his continued service to the City of Grand Island.

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Mayor Jay Vavricek

**EMPLOYMENT AGREEMENT**  
**MARLAN V. FERGUSON**

THIS AGREEMENT is made and entered into this \_\_\_\_\_ day of April, 1999, by and between the CITY OF GRAND ISLAND, A Municipal Corporation, hereinafter called the "City", as party of the first part, and MARLAN V. FERGUSON, hereinafter called "Employee", as party of the second part, both of whom understand and agree as follows:

Witnesseth:

WHEREAS, the City desires to employ the services of said Employee as the Administrator of the City of Grand Island, as provided by the Code of the City of Grand Island; and

WHEREAS, it is the desire of the City Council to provide certain benefits, establish certain conditions of employment, and to set working conditions of said Employee; and

WHEREAS, it is the desire of the City Council to: (1) secure and retain the services of the Employee and to provide inducement for him to remain in such employment; (2) to make possible full work productivity by assuring Employee's morale and peace of mind with respect to future security; (3) to act as a deterrent against malfeasance or dishonesty for personal gain on the part of Employee; and (4) to provide a just means for terminating Employee's services at such time as he may be unable to fully discharge his duties due to age or disability or when the City may desire to otherwise terminate his employment; and

WHEREAS, Employee desires to accept employment as Administrator of said City pursuant to the laws of the State of Nebraska and the Code of the City of Grand Island;

NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL COVENANTS HEREIN CONTAINED, THE PARTIES HERETO AGREE AS FOLLOWS:

Section 1 – Duties

The City hereby agrees to employ said Employee as Administrator of the City to perform the principal functions and duties specified in the City Code for the City of Grand Island and the laws of the State of Nebraska, and to perform such other legally

permissible and proper duties and functions as the Mayor and/or City Council shall from time to time assign.

## Section 2 – Term

A. This Agreement shall expire at the end of the elected term of the current elected Mayor for the City of Grand Island. Nothing in this agreement shall prevent, limit, or otherwise interfere with the right of the City to terminate the services of the Employee at any time prior to the end of the term, subject only to the provisions set forth in Section 3, paragraph A, of this Agreement.

B. Nothing in this Agreement shall prevent, limit, or otherwise interfere with the right of the Employee to resign at any time from his position with the City, subject only to the provision set forth in Section 3, paragraph B, of this Agreement.

C. Employee agrees to remain in the exclusive employ of the City until termination or resignation as provided in Section 3 of this Agreement occurs. The employee shall not use any confidential information obtained through his position as City Administrator for personal gain.

D. Employee's job performance shall be evaluated by the Mayor and City Council during the month of December 1999, at which time a salary review will be conducted. Thereafter, the Mayor and City Council shall evaluate and review the performance of the Employee in June of 2000, and at least once annually thereafter, in advance of the adoption of the annual operating budget.

## Section 3 – Termination and Severance Pay

A. Upon the expiration of this Agreement, or in the event Employee is terminated by the City other than as provided in Section B and during such time Employee is willing and able to perform the duties of City Administrator, then in that event, the City agrees to pay Employee a lump sum cash payment equal to four (4) months of the Employee's salary, excluding the City's obligations for retirement, and any other insurance, benefits or allowances for said four (4) month period. Provided; however, that in the event Employee is terminated for conviction of a felony or any misdemeanor involving moral turpitude, or for a breach of this Agreement, or for the commission of any dischargeable offenses as defined in the Personnel Rules for the City of Grand Island, then, in that event the City shall have no obligation to pay the severance sum designated in this paragraph.

B. In the event Employee voluntarily resigns his position with the City before the expiration of the aforesaid term of employment, then Employee shall give the City two (2) months notice in advance, unless the parties otherwise agree.

#### Section 4 – Salary

The City agrees to pay Employee for his services rendered pursuant hereto an annual salary initially established at \$84,780.80, which is Step F of the pay range for the City Administrator position, as established in the City's pay plan. In addition, the City agrees to increase said salary or other benefits or both of Employee in such amounts and to such an extent as the Mayor and City Council may determine that it is desirable to do so on the basis of an initial six month review and then an annual salary review of said employee conducted in advance of the adoption of the City's annual operating budget as set forth in Section 2, paragraph D. The annual salary shall be established in the annual budget and any salary adjustment shall conform to the City's pay plan system.

#### Section 5 – Hours of Work

It is recognized and understood by Employee that the normal work week for City employees is forty (40) hours per week. It is further understood and recognized by Employee that he is the City Administrator and, as such, is expected to and shall devote whatever time is necessary and desirable to his employment activities in order to promote and carry out his job and the duties associated therewith.

#### Section 6 – Automobile

Employee shall receive a car allowance to compensate for the use of Employee's private vehicle. The amount of such car allowance is established at the rate of \$300.00 per month.

#### Section 7 – Dues and Subscriptions

The City agrees to budget and to pay the professional dues and subscriptions of Employee's membership to the International City Manager's Association (ICMA) and National City Manager's Association (NCMA).

#### Section 8 - Professional Development

The City hereby agrees to budget and to pay the travel and other expenses of Employee for professional and official travel, meetings, and occasions adequate to continue the professional development of Employee and to adequately pursue necessary official and other functions for City, including but not limited to the State League of Municipalities meetings, and the Annual Conference of the ICMA or the National League of Cities Conference.

#### Section 9 – Vacation Leave, Sick Leave and Holiday Pay

Employee shall be entitled to receive the same vacation leave, sick leave, and holiday benefits as those accorded to other employees of the City pursuant to the Personnel Rules, including provisions governing accrual and payments therefor on

termination of employment, provided that Employee shall earn twenty (20) days of vacation leave per calendar year beginning in year one of employment.

#### Section 10 – Disability, Health, and Life Insurance

Employee shall be entitled to receive the same insurance coverage for life, accident, sickness, disability income benefits, and major medical as is accorded to employees pursuant to the Personnel Rules for the City of Grand Island.

#### Section 11 – Retirement

Employee shall be entitled to receive the same retirement benefits as are accorded to other employees of the City, provided said employee's retirement pension shall be paid to ICMA.

#### Section 12 – Other Terms and Conditions of Employment

A. The City Council shall fix any such other terms and conditions of employment, as it may determine from time to time, relating to the performance of Employee, provided such terms and conditions are not inconsistent with or in conflict with the provisions of this Agreement, the City Code, or any other law.

B. With the exception of Section IX and any other items specifically referenced in this agreement which are in conflict, the provisions of the Personnel Rules of the City of Grand Island as they now exist or hereafter may be amended shall apply to the Employee as they would to all other employees of the City.

#### Section 13 – General Provisions

A. Employee shall meet with the Mayor and City Council on an annual basis each June to evaluate the performance of the Employee in conducting his employment duties and activities as City Administrator.

B. The text herein shall constitute the entire agreement between the parties.

C. This Agreement shall be binding upon and inure to the benefit of the heirs at law and personal representative of the Employee.

D. This Agreement shall become effective commencing the date hereinbefore written.

E. If any provision, or any portion thereof, contained in this Agreement is held to be unconstitutional, invalid, or unenforceable, the remainder of this Agreement, or portion hereof, shall be deemed severable, shall not be affected, and shall remain in full force and effect.

IN WITNESS WHEREOF, the City of Grand Island has caused this Agreement to be signed and executed in its behalf by its Mayor and duly authenticated by its City Clerk, and the Employee has signed and executed this Agreement, in triplicate, the day and year first above written.

CITY OF GRAND ISLAND, NEBRASKA,  
A Municipal Corporation

By: \_\_\_\_\_  
Mayor

Attest:

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
Marlan V. Ferguson

Approved by the City Attorney

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## Addendum to Employment Agreement

The purpose of this addendum is to amend the Employment Agreement with Marlan V. Ferguson executed on April 19, 1999, by and between Marlan V. Ferguson and the City of Grand Island, Nebraska, a municipal corporation. This agreement shall become effective upon signing and amends the previously executed agreement only as set forth below:

### Section 2 - Term

A. This Agreement shall expire at the end of the elected term of the Mayor for the City of Grand Island which commences on December 3, 2002. Nothing in this agreement shall prevent, limit, or otherwise interfere with the right of the City to terminate the services of the Employee at any time prior to the end of the term, subject to the provisions set forth in Section 3, paragraph A, of this Agreement.

All other provisions of the Employment Agreement except those specifically set forth herein shall remain in full force and effect.

Dated: \_\_\_\_\_, 2002

CITY OF GRAND ISLAND, NEBRASKA,  
A municipal corporation,

By: \_\_\_\_\_  
Jay Vavricek, Mayor

Attest: \_\_\_\_\_  
RaNae Edwards, City Clerk

Dated: \_\_\_\_\_, 2002

\_\_\_\_\_  
Marlan V. Ferguson, City Administrator



R E S O L U T I O N   2002-376

BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the Mayor be, and hereby is, authorized and directed to execute the Addendum to the Employment Agreement by and between the City of Grand Island and Marlan V. Ferguson for the position of City Administrator, and appoint Marlan V. Ferguson as City Administrator for the term of the Mayor.

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Adopted by the City Council of the City of Grand Island, Nebraska on December 3, 2002.

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RaNae Edwards, City Clerk

Approved as to Form ? _____ November 27, 2002 ? City Attorney
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